

HB 2693 STAFF MEASURE SUMMARY

House Committee On Emergency Management, General Government, and Veterans

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 2/18

WHAT THE MEASURE DOES:

The measure authorizes the issuance of lottery bonds for deposit in the Levee Project Grant Fund.

Detailed Summary

- Authorizes the State Treasurer to issue lottery bonds for the biennium beginning July 1, 2025, not to exceed \$15 million in net proceeds, plus additional amounts estimated by the State Treasurer for bond related costs.
- Requires bond proceeds be transferred to the Oregon Business Development Department for deposit in the Levee Project Grant Fund.
- Requires bonds be issued before June 30, 2026
- Reports the list of improvements the Legislative Assembly finds the use of lottery bonds will achieve.
- Declares emergency, effective July 1, 2025.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Senate Bill 5030 (2019) created the Levee Project Grant Fund and approved \$15 million in lottery bonds. The program is managed by the Oregon Business Development Department (OBDD) and grant applicants are required to match at least 20 percent of the award amount to qualify; awards are limited to \$2 million per applicant in a single biennium; and awards for construction or capital improvement projects are limited to 80 percent of the total project cost.

Senate Bill 622 (2021) modified program requirements to require at least 60 percent of awarded grant funds be used for projects in the following areas: areas outside the Portland Metropolitan Area Regional Urban Growth Boundary; areas outside the urban growth boundaries of cities with 30,000 or more residents; or counties, cities, or other areas OBDD classifies as distressed based on economic indicators such as unemployment. In addition, Senate Bill 622 expanded the definition of levee projects to include levee construction and capital improvements, flood control embankments, and flood control facilities.